

BIG MOUNTAIN SEWER DISTRICT

PO Box 1252
Whitefish, Montana 59937

Board of Director Agenda SPECIAL MEETING May 24, 2022 9:00 a.m. Northern Lights Conference Room, Kandahar Lodge

1. CALL TO ORDER

President Sato called the meeting to order at 9:00 a.m. Present were Al Clough, Jen Sato, Brad Kincaid, Jason Hanchett, and Leslie Bales. Present via ZOOM were Kathy McAughan, Greg Ferrian, and Paul Montgomery, our project engineer from A-MCE.

2. INTRODUCTIONS

No introductions were necessary, as everyone at the meeting has worked together previously.

3. PUBLIC COMMENT

There was no public comment, either written or oral.

4. PRESENTATIONS

There were no presentations.

5. INFLOW & INFILTRATION PROJECT

a. I & I Project

- i. Pre-Bid conference & Bid Opening Report
- ii. BMSD I&I Project – Addendum 1 & 2 (Plans available at <https://www.a-mce.com/bids.php> [a-mce.com])
- iii. TSEP/MCEP Contract
- iv. WSI Agreement with BMSD
- v. Encroachment Permit
- vi. *I&I Mitigation – Funding Package #3
- vii. A-MCE recommendation for Bid Award

Paul Montgomery, engineer from A-MCE, stated he hoped everyone had a chance to review the pre-bid conference and when we can start to receive reimbursements from ARPA grant. The main focus today is to discuss what happened at the bid opening, as it did not go the way we had expected. Montgomery continued the engineer's estimate was for \$665,000 and our only bid came in at \$1,542,217. Montgomery's recommendation is to **not** award the bid. Montgomery continued that this is not a 1.5 million dollar project, adding there was only one bidder, and he knew he was the only bidder.

Montgomery continued he recommends paring down the sewer main replacement segments as one segment about 370' was over 250k, and that was outrageous. Montgomery proposed reviewing the 1000' of planned sewer replacement, and just do spot repairs where we see I&I in the CCTV tapes, and then use a different technology for the manhole seals and raising the lids. Montgomery continued A-MCE has taken the liberty of starting the redesign,

sharing we could reuse instead of replace the existing castings. Montgomery stated he is asking for input and prioritization. Ferrian asked about lining the existing lines – is that what you are talking about? Montgomery replied we want to use cured in place (CIPP) for the manholes. The sewer lines we targeted were the worst in the system, but still not in terrible shape but thought with the budget we had we could replace those segments but spot repairs will do the trick for I&I. Spot repairs will not fix the grade or alignment issues but those issues do not affect the infiltration. CIPP pipelining savings are primarily with not having to do the excavation, not affecting utilities, etc. Montgomery clarified we are not anticipating doing CIPP for the mains, but using it for lining the manholes. Discussion followed regarding spot repair where we saw the clear water infiltration. Sato asked how effective the CIPP linings are. Montgomery replied Swain does a lot of these, there have been problems with a couple of manholes in Whitefish (Crestwood and Creek Wood, where Swain has had to come back in and do warranty work replacing the CIPP linings. Swain is good at fixing problems during the warranty period. This is not the way I initially wanted to do this, but it will be effective and believes the CIPP has a 5 year warranty and is certain it will show some improvement of getting clear water out of the system although it is not my preferred way to repair. Montgomery added he will be structuring this redesign so Swain can be the prime and not go through LHC or any other contractor that will add additional fees onto the project. Discussion continued. Montgomery reported the CIPP will have less traffic control needs and will be less intrusive. Mr. Manhole and CIPP are less intrusive, and will be done down the outfall line. McAughan asked how this would affect our timeline – any chance to get it done this fall? Montgomery stated he hopes we can still get this completed this fall, as Swain can get three shallow manholes done in one day. Kincaid asked about grant timelines with Montgomery reporting we must have a signed contract with the contractor by December 2023. Discussion about Whitefish rebidding a project followed. Discussion followed. Montgomery commented he thinks BMSD needs to rescope using alternative technology, and updating our requirements as exterior wrap is just not going to be affordable. Interior lining will be effective, and recommends rescope with the alternative technology.

BMSD asked about not awarding the bid. Montgomery reported the official termination of bid is to return the bid bond to LHC. McAughan asked what does the Board need to do? Do we still re-bid? Montgomery answered yes, we will need to re-bid. Redesign and rescope, and then get it approved by the funding agencies before we actually go out to bid again. The funding agencies will want to make sure they are getting the best out of their funding contributions. Montgomery reported he is already working with the funding agencies. The BMSD Board concurred with this plan.

Hanchett asked who else does CIPP linings? Montgomery replied PEC, Inc. in Missoula also does CIPP and yes, it would be nice to get more than one bid although PEC specializes more in cured in place lining of sewer mains.

President Sato reported she signed the TSEP contract, and the agreement with BMSD has been signed, and both Whitefish Mountain Resort and BMSD have their copies. Montgomery is working on the encroachment permit, and it will be finished up after a traffic control plan has been submitted.

Kincaid made motion **not** to award to LHC Inc., second by Clough. Motion carried with roll call vote as follows: AYES: Clough, Ferrian, Kincaid, McAughan, and Sato. NOES: None. Kincaid made motion to pay Invoice #21-03-03 to Anderson-Montgomery for I&I Project in the amount of \$8,222.31, second by Clough. Motion carried with roll call vote as follows: AYES: Clough, Ferrian, Kincaid, McAughan, and Sato. NOES: None. Bales reported this invoice has been submitted for payment to the applicable grants.

6. MINUTES:

a. *April 5, 2022 Regular Meeting Minutes

Kincaid made motion to approve the minutes of the April 5, 2022 regular meeting as presented; second by Clough. Motion carried with roll call vote as follows: AYES: Clough, Ferrian, Kincaid, McAughan, and Sato. NOES: None.

7. OLD BUSINESS

a. *Ordinance 2022-01 Episcopo Annexation – Second & Final Reading

President Sato read the first paragraph of Ordinance 2022-01 approving the annexation for a parcel owned by Michael Episcopo located within Govt Lot 3 & 4, Section 2 and Gove Lot 1, Section 3, Township 31 North, Range 22 West, P.M.M. Flathead County. Clough made motion to approve the second and final reading of Ordinance 2022-01, second by Kincaid. Motion carried with roll call vote as follows: AYES: Clough, Ferrian, Kincaid, McAughan, and Sato. NOES: None.

8. NEW BUSINESS

a. *Administrative Manager – Additional Compensation Request

Administrative Manager Bales submitted a request for additional compensation for extra hours worked in FY22 for policy updates, I&I Project grants with TSEP, MCEP, and Flathead County ARPA, along with researching insurance coverage for BMSD. Kincaid made motion to approve the request for \$3,000 in additional compensation, second by Clough Motion carried with roll call vote as follows: AYES: Clough, Ferrian, Kincaid, McAughan, and Sato. NOES: None.

b. *Preliminary Budget – First Draft

Administrative Manager Bales reported on the first draft of the preliminary budget for FY23 stating Public Works Superintendent Hanchett has already submitted his numbers, and she has worked through the regular costs for the budget and with the I&I Project issues we need to make sure we have enough operating budget for our regular expenses. Bales went through the main changes to the budget with explanations. Bales recommended BMSD maintain the same sewer fees until we have completed the I&I Project and know what our true operational costs are. The Board agreed. Discussion continued with Bales reporting she used 10% for the utilities and her compensation, actual numbers

from Hanchett for operations, increased Legal as we are using our attorney's services more with the grants, and increased Audit costs also due to the grants. Kincaid asked about budgeted depreciation costs, and after discussion it was agreed Bales will reach out to our auditor regarding the increased assets from the I&I Project. Kincaid asked about Bales compensation, commenting he felt a 25% increase would be better. The Board concurred and Bales will update the numbers in the preliminary budget.

Discussion of the grant numbers (both revenue and expenditures) followed, with Bales explaining for the Preliminary Budget she was planning to use the full grant numbers and our current project estimates, adding these numbers can be updated for the Final Budget Document once we have more information from A-MCE. The Board concurred and agreed for Bales to continue preparations for the Preliminary Budget.

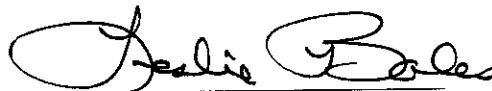
9. MISCELLANEOUS FOR THE GOOD OF THE ORDER

- a. Bales reminded the Board that the next meeting will also be the public hearing for the Preliminary Budget for FY23. We need to advertise ahead of time, and be sure we will have a quorum for this meeting. After discussion it was agreed to hold the meeting on Thursday, July 14th at 9:30 a.m. Thursday's may be a better day for the majority of the Board, and this will be discussed again after the July 14th meeting.

10. ADJOURN – Upon motion made and seconded the meeting adjourned at 9:46 a.m.



President, Jennifer Sato



Secretary, Leslie Bales